

Assembly Bill No. 2401

CHAPTER 741

An act to amend Sections 4760, 4770, 40210, 40220, 40222, 40265, 40267, and 40269 of the Vehicle Code, relating to vehicles.

[Approved by Governor September 30, 2008. Filed with
Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2401, Karnette. Vehicles: parking violations.

Existing law requires the Department of Motor Vehicles to refuse to renew the registration of a vehicle if the registered owner or lessee has been mailed a notice of delinquent parking violation relating to standing or parking from the processing agency, the processing agency has transmitted to the department an itemization of unpaid parking penalties, and the owner or lessee has not paid the parking penalties.

This bill would prohibit the department or a processing agency from collecting outstanding parking or toll evasion penalties and administrative fees from the registered owner or lessee of a vehicle, as specified, if the citation or citations were issued prior to the registered owner or lessee taking possession of the vehicle and the department has made a specified notification to the processing agency. The bill would also prohibit the department from refusing to renew the registration of the vehicle, except as specified.

The bill would also require the processing agency to terminate proceedings on or cancel a notice of a delinquent parking or toll evasion violation or violations if the registered owner or lessee of the vehicle, as specified, provides proof to the processing agency that he or she was not the registered owner or the lessee on the date of the violation, but would not limit or impair the ability or right of the processing agency to seek collection from the registered owner or lessee on the date of the violation.

The people of the State of California do enact as follows:

SECTION 1. Section 4760 of the Vehicle Code is amended to read:

4760. (a) (1) Except as provided in subdivision (b) or (d), the department shall refuse to renew the registration of a vehicle if the registered owner or lessee has been mailed a notice of delinquent parking violation relating to standing or parking, the processing agency has filed or electronically transmitted to the department an itemization of unpaid parking penalties, including administrative fees pursuant to Section 40220, and the owner or lessee has not paid the parking penalty and administrative fee

pursuant to Section 40211, unless he or she pays to the department, at the time of application for renewal, the full amount of all outstanding parking penalties and administrative fees, as shown by records of the department.

(2) When the department receives the full amount of all outstanding parking penalties and administrative fees pursuant to paragraph (1), it shall issue a receipt showing each parking penalty and administrative fee that has been paid, the processing agency for that penalty and fee, and a description of the vehicle involved in the parking violations. The receipt shall also state that, to reduce the possibility of impoundment under Section 22651 or immobilization under Section 22651.7 of the vehicle involved in the parking violation, the registered owner or lessee may transmit to that processing agency a copy or other evidence of the receipt.

(b) The department shall not refuse to renew the registration of a vehicle owned by a renter or lessor if the applicant provides the department with the abstract or notice of disposition of parking violation issued pursuant to subdivision (c) for clearing all outstanding parking penalties and administrative fees as shown by the records of the department.

(c) The court or designated processing agency shall issue an abstract or notice of disposition of parking violation to the renter or lessor of a vehicle issued a notice of delinquent parking violation relating to standing or parking if the renter or lessor provides the court or processing agency with the name, address, and driver's license number of the rentee or lessee at the time of occurrence of the parking violation.

(d) The department shall not refuse to renew the registration of a vehicle if the citation was issued prior to the registered owner taking possession of the vehicle.

SEC. 2. Section 4770 of the Vehicle Code is amended to read:

4770. (a) Except as provided in subdivision (c) or (d), the department shall refuse to renew the registration of a vehicle if the registered owner or lessee has been mailed a notice of toll evasion violation, the processing agency has transmitted to the department an itemization of unpaid toll evasion penalties, including administrative fees, pursuant to Section 40267, and the toll evasion penalty and administrative fee have not been paid pursuant to Section 40266, unless the full amount of all outstanding toll evasion penalties and administrative fees, as shown by records of the department are paid to the department at the time of application for renewal.

(b) The designated processing agency shall issue a notice of the disposition of the toll evasion violation or violations to a lessor, if the lessor provides the processing agency with the name, address, and driver's license number of the lessee at the time of the occurrence of the toll evasion violation.

(c) The department shall renew the registration of a vehicle if the applicant provides the department with the notice of the disposition of the toll evasion violation or violations issued pursuant to subdivision (b) for clearing all outstanding toll evasion penalties and administrative fees, as shown by the records of the department, and the applicant has met all other requirements for registration.

(d) The department shall not refuse to renew the registration of a vehicle if the toll evasion violation occurred prior to the date that the registered owner or lessee took possession of the vehicle.

SEC. 3. Section 40210 of the Vehicle Code is amended to read:

40210. (a) If the affidavit of nonliability is returned and indicates that the registered owner served has made a bona fide sale or transfer of the vehicle and has delivered possession of the vehicle to the purchaser prior to the date of the alleged violation, the processing agency shall obtain verification from the department that the registered owner has complied with Section 5602.

(b) If the registered owner has complied with Section 5602, the processing agency shall cancel the notice of delinquent parking violation or violations with respect to the registered owner.

(c) If the registered owner has not complied with Section 5602, the processing agency shall inform the registered owner that the citation shall be paid in full or contested pursuant to Section 40215 unless the registered owner delivers evidence within 15 days of the notice that establishes that the transfer of ownership and possession of the vehicle occurred prior to the date of the alleged violation. If the registered owner does not comply with this notice, the processing agency shall proceed pursuant to Section 40220. If the registered owner delivers the evidence within 15 days of the notice, the processing agency shall cancel the notice of delinquent parking violation or violations with respect to the registered owner.

(d) For purposes of subdivision (c), evidence sufficient to establish that the transfer of ownership and possession occurred prior to the date of the alleged violation or violations shall include, but is not limited to, a copy of the executed agreement showing the date of the transfer of vehicle ownership.

(e) This section does not limit or impair the ability or the right of the processing agency to pursue the collection of delinquent parking penalties from the person having ownership and possession of the vehicle on the date the alleged violation occurred.

SEC. 4. Section 40220 of the Vehicle Code is amended to read:

40220. Except as otherwise provided in Sections 40221 and 40222, the processing agency shall proceed under only one of the following options in order to collect an unpaid parking penalty:

(a) File an itemization of unpaid parking penalties and service fees with the department for collection with the registration of the vehicle pursuant to Section 4760.

(b) If more than four hundred dollars (\$400) in unpaid penalties and fees have been accrued by any person or registered owner, proof thereof may be filed with the court with the same effect as a civil judgment. Execution may be levied and other measures may be taken for the collection of the judgment as are authorized for the collection of an unpaid civil judgment entered against a defendant in an action on a debtor. The court may assess costs against a judgment debtor to be paid upon satisfaction of the judgment. The processing agency shall send a notice by first-class mail to the person or

registered owner indicating that a judgment shall be entered for the unpaid penalties, fees, and costs and that, after 21 calendar days from the date of the mailing of the notice, the judgment shall have the same effect as an entry of judgment against a judgment debtor. The person or registered owner shall also be notified at that time that execution may be levied against his or her assets, liens may be placed against his or her property, his or her wages may be garnisheed, and other steps may be taken to satisfy the judgment. If a judgment is rendered for the processing agency, that agency may contract with a collection agency to collect the amount of that judgment.

Notwithstanding any other provision of law, the processing agency shall pay the established first paper civil filing fee at the time an entry of civil judgment is requested.

(c) If the registration of the vehicle has not been renewed for 60 days beyond the renewal date, and the citation has not been collected by the department pursuant to Section 4760, file proof of unpaid penalties and fees with the court with the same effect as a civil judgment as provided in subdivision (b).

(d) This section does not apply to a registered owner of a vehicle if the citation was issued prior to the registered owner taking possession of the vehicle and the department has notified the processing agency pursuant to Section 4764.

SEC. 5. Section 40222 of the Vehicle Code is amended to read:

40222. The processing agency shall terminate proceedings on a notice of a delinquent parking violation or violations in all of the following cases:

(a) Upon receipt of collected penalties and administrative fees remitted by the department under Section 4762 for that notice of delinquent parking violation or violations. The termination under this subdivision is by satisfaction of the parking penalty or penalties.

(b) If the notice of a delinquent parking violation or violations was returned to the processing agency pursuant to Section 4764 and five years have elapsed since the date of the last violation. The termination under this subdivision is by the running of a statute of limitation of proceedings.

(c) The processing agency receives information, that it shall verify with the department, that the penalty or penalties have been paid to the department pursuant to Section 4762.

(d) (1) If the registered owner of the vehicle provides proof to the processing agency that he or she was not the registered owner on the date of the violation.

(2) This subdivision does not limit or impair the ability or the right of the processing agency to pursue the collection of a delinquent parking violation or violations from the person who was the registered owner or lessee of the vehicle on the date of the violation.

SEC. 6. Section 40265 of the Vehicle Code is amended to read:

40265. (a) If the affidavit of nonliability is returned and indicates that the registered owner served has made a bona fide sale or transfer of the vehicle and has delivered possession of the vehicle to the purchaser prior to the date of the alleged violation, the processing agency shall obtain

verification from the department that the registered owner has complied with subdivision (b) of Section 5602.

(b) If the registered owner has complied with subdivision (b) of Section 5602, the processing agency shall cancel the notice of toll evasion violation with respect to the registered owner.

(c) If the registered owner has not complied with subdivision (b) of Section 5602, the processing agency shall inform the registered owner that the notice shall be paid in full or contested pursuant to Section 40255 unless the registered owner delivers evidence within 15 days of the notice that establishes that the transfer of ownership and possession of the vehicle occurred prior to the date of the alleged violation. If the registered owner does not comply with this notice, the processing agency shall proceed pursuant to Section 40220. If the registered owner delivers the evidence within 15 days of the notice, the processing agency shall cancel the notice of delinquent toll evasion violation or violations with respect to the registered owner.

(d) For purposes of subdivision (c), evidence sufficient to establish that the transfer of ownership and possession occurred prior to the date of the alleged violation or violations shall include, but is not limited to, a copy of the executed agreement showing the date of the transfer of vehicle ownership.

(e) This section does not limit or impair the ability or the right of the processing agency to pursue the collection of delinquent toll evasion penalties from the person having ownership and possession of the vehicle on the date the alleged violation occurred.

SEC. 7. Section 40267 of the Vehicle Code is amended to read:

40267. Except as otherwise provided in Sections 40268 and 40269, the processing agency shall proceed under one or more of the following options to collect an unpaid toll evasion penalty:

(a) The processing agency may file an itemization of unpaid toll evasion penalties and administrative and service fees with the department for collection with the registration of the vehicle pursuant to Section 4770.

(b) (1) If more than four hundred dollars (\$400) in unpaid penalties and fees have been accrued by a person or registered owner, the processing agency may file proof of that fact with the court with the same effect as a civil judgment. Execution may be levied and other measures may be taken for the collection of the judgment as are authorized for the collection of an unpaid civil judgment entered against a defendant in an action on a debt. The court may assess costs against a judgment debtor to be paid upon satisfaction of the judgment. The processing agency shall send a notice by first-class mail to the person or registered owner indicating that a judgment shall be entered for the unpaid penalties, fees, and costs and that, after 30 days from the date of the mailing of the notice, the judgment shall have the same effect as an entry of judgment against a judgment debtor. The person or registered owner shall also be notified at that time that execution may be levied against his or her assets, liens may be placed against his or her property, his or her wages may be garnished, and other steps may be taken

to satisfy the judgment. The filing fee plus any costs of collection shall be added to the judgment amount.

(2) Notwithstanding any other provision of law, the processing agency shall pay the established first paper civil filing fee, if required by law, at the time an entry of civil judgment is requested.

(c) If the registration of the vehicle has not been renewed for 60 days beyond the renewal date, and the notice has not been collected by the department pursuant to Section 4770, the processing agency may file proof of unpaid penalties and fees with the court with the same effect as a civil judgment as provided in subdivision (b), except that if the amount of the unpaid penalties and fees is not more than four hundred dollars (\$400), the filing fee shall be collectible by the court from the debtor.

(d) The issuing agency may contract with a collection agency to collect unpaid toll evasion penalties, fees, and charges.

(e) This section does not apply to the registered owner of a vehicle if the toll evasion violation occurred prior to the registered owner taking possession of the vehicle and the department has notified the processing agency pursuant to Section 4774.

SEC. 8. Section 40269 of the Vehicle Code is amended to read:

40269. (a) The processing agency shall terminate proceedings on the notice of a delinquent toll evasion violation in any of the following cases:

(1) Upon receipt of collected penalties and administrative fees remitted by the department under Section 4772 for that notice of delinquent toll evasion violation. The termination under this subdivision is by satisfaction of the toll evasion penalty.

(2) If the notice of delinquent toll evasion violation was returned to the processing agency pursuant to Section 4774 and five years have elapsed since the date of the violation. The termination under this subdivision is by the running of a statute of limitation of proceedings.

(3) The processing agency receives information, which it shall verify with the department, that the penalty has been paid to the department pursuant to Section 4772.

(4) If the registered owner of the vehicle provides proof to the processing agency that he or she was not the registered owner on the date of the toll evasion violation.

(b) This section does not limit or impair the ability or the right of the processing agency to pursue the collection of delinquent toll evasion penalties from the person who was the registered owner or lessee of the vehicle on the date of the alleged toll evasion violation.